

AUDITOR OF STATE[81]**Notice of Intended Action**

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of 2012 Iowa Acts, chapter 1107, section 2, the Auditor of State hereby gives Notice of Intended Action to amend Chapter 21, “Filing Fees,” Iowa Administrative Code.

Proposed rule 81—21.2(11) establishes a periodic examination fee necessary to perform periodic examinations of cities with a population less than 2,000 which do not have budgeted annual expenditures of more than \$1 million for two consecutive years.

Any interested person may make written suggestions or comments on this proposed rule on or before August 13, 2013. All communications shall clearly indicate the author’s name and address and should make specific reference to this Notice. Such written materials should be directed to Chief of Staff, Office of Auditor of State, State Capitol Building, Des Moines, Iowa 50319-0001.

There will be a public hearing on August 13, 2013, at 10 a.m. in Room 116 of the State Capitol Building, at which time persons may present their views either orally or in writing. At the hearing, persons will be asked to give their names and addresses for the record and to confine their remarks to the subject of the proposed rule.

The maximum fiscal impact of the rule to eligible cities will be \$382,225, with an annual fiscal impact of no more than \$1,200 per year for any individual city. Eligible cities are not required to pay a periodic examination fee if they commission their own audits or examinations. If cities commission audits or examinations at the same frequency as in the past, the annual fiscal impact could be reduced by 4 percent to \$365,425.

The proposed rule is not subject to waiver because the fee is mandatory for all qualifying cities pursuant to 2012 Iowa Acts, chapter 1107, section 2.

After analysis and review of this rule making, no adverse impact on jobs has been found.

This rule is intended to implement 2012 Iowa Acts, chapter 1107, section 2.

The following amendment is proposed.

Adopt the following new rule 81—21.2(11):

81—21.2(11) Periodic examination fee. A periodic examination fee, as provided for under 2012 Iowa Acts, chapter 1107, section 2, shall be paid annually by cities that do not otherwise have an audit or fiscal year examination conducted pursuant to Iowa Code section 11.6, subsection 1 or subsection 3, during a fiscal year.

21.2(1) The fee shall be remitted according to a fee schedule using four strata based on the budgeted expenditures of the original certified budget of the governmental subdivision for the fiscal year.

21.2(2) The designated strata and applicable fees are as follows:

Budgeted Expenditures in Thousands of Dollars	Fee Amount
Under 50	\$ 100
At least 50 but less than 300	\$ 475
At least 300 but less than 600	\$ 900
600 or more	\$1,200

21.2(3) The fee shall be remitted to the office of auditor of state on or before March 31 each year.
This rule is intended to implement 2012 Iowa Acts, chapter 1107, section 2.